

House File 430 - Introduced

HOUSE FILE 430
BY ABDUL-SAMAD

A BILL FOR

1 An Act relating to named driver exclusions in motor vehicle
2 insurance policies and providing criminal penalties.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 321.21 **Named driver exclusions —**
2 **failure to maintain financial liability coverage.**

3 1. An owner of a motor vehicle who obtains a policy of
4 liability insurance that meets the financial liability coverage
5 requirements of this chapter and that contains a named driver
6 exclusion which excludes a named individual from coverage under
7 the policy, and who expressly or impliedly permits that named
8 individual to drive the motor vehicle, commits the violation of
9 failure to maintain financial liability coverage under section
10 321.20B, subsection 1.

11 2. If the owner is found guilty of a violation of this
12 section, the court shall impose a fine as provided in section
13 805.8A, subsection 14, paragraph "f".

14 EXPLANATION

15 This bill provides that an owner of a motor vehicle who
16 obtains a policy of liability insurance that meets the
17 financial liability requirements of Code chapter 321 and that
18 contains a named driver exclusion which excludes a named
19 individual from coverage under the policy, and who expressly
20 or impliedly permits that named individual to drive the motor
21 vehicle, commits the violation of failure to maintain financial
22 liability coverage under Code section 321.20B, subsection 1.

23 If the owner is found guilty of a violation of the bill, the
24 court shall impose the scheduled fine applicable to a violation
25 of Code section 321.20B, subsection 1. The scheduled fine is
26 \$500 for a violation that occurs in connection with a motor
27 vehicle accident, and \$250 in other instances.